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NFAC # 3452-78...

D/ORPA-78-997
14 August 1978

MEMORANDUM FOR: Associate Director - Substantive Support, NFAC

FROM : [redacted]
Chief, Production Staff, ORPA

SUBJECT : DCI Comments on I&W Report

Dick,

I have read [redacted] draft response to the DCI comments on the I&W report, courtesy of [redacted] intervention. There are a number of errors of fact which I have marked up on the copy, although you probably would have caught them anyway.

With regard to the DCI's comments, it would almost seem as though he feels his own reorganization should take care of the warning problem as well as other problems. We did raise the question of the status quo in our first meeting and perhaps should have given it more attention. The DCI obviously would also like to disband the SWS and that is yet another option, putting that particular responsibility more solely on the NIO system, perhaps the NIO for Conventional Weapons.

The DCI's thinking does not appear to square with Diana Lavoie's recommendations. Contrary to [redacted] remarks at the morning meeting, I think Diana's study was well done and reasonably objective. You will note that she calls for retention of the SWS and the appointment of a Special Assistant for Warning.

I see that the DCI intends to talk about warning in his NFIB session at the farm this weekend. But in his agenda memo he makes no mention of any organizational changes being necessary.

Attachment:

Memo fm [redacted] 4Aug78

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4 August 1978

MEMORANDUM FOR: I&W Working Group

FROM : [REDACTED]

SUBJECT : Response to DCI Comments on I&W Report

REFERENCE : a. Report on the DCI's Role in Warning
and Crisis, dated 22 June 1978
(previously disseminated)

b. DCI Memo, Same Subject, dtd 18 July 78
(attached)

1. Sayre Stevens asked me, in Dick Lehman's absence, to draft a reply to reference b. Several of you provided some ideas and my draft reply is attached for your comment and suggestion.

2. My approach is to address the DCI's concerns about not understanding our range of alternative solutions and our thought process in a memorandum before anyone revises the entire report. You will note in the draft memorandum that only three alternative solutions to the warning and crisis management problem are discussed. This is a reference to the three proposals we spent the most time discussing. In order to simplify the discussion I referred to [REDACTED] model as Proposal A, [REDACTED] model as Proposal B, and the most frequently discussed look-alikes as Proposal C. Although the memorandum is intended to highlight only the differences, I hope that I have been faithful to the thrust of the original and more complex wording.

3. I will be on leave 8-16 August. Dick Lehman will return from leave on 14 August. Please have your comments and suggestions in Dick's office by cob 11 August so that he will be aware of developments as early as possible.

Attachments:
As stated

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DISTRIBUTION:

I&W Working Group Members:

- 1 - Richard Lehman
- 1 - Theodore G. Shackley

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William K. Parmenter

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Other:

- 1 - Robert Bowie
- 1 - Sayre Stevens
- 1 - Paul Walsh

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18 July 1978

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Director of Central Intelligence

SUBJECT: The DCI's Role in Warning and Crisis

REFERENCE: Report on the DCI's Role in Warning and Crisis,
dated 22 June 1978

1. I've read the comprehensive report which Dick Lehman and his committee have produced. Although conducted by civilians, it is a fine example of military "completed staff work." By this I mean that it provides the decision-maker only three options: (1) accept the recommendations; (2) reject the recommendations; or (3) contrive his own modification to the recommendations. Essentially I have long felt this kind of military staff work in effect deprives the decision-maker of his opportunity to make decisions in favor of his staff.

2. What I would like to see in this and other such formulations is a series of alternatives between which we can exercise a decision-maker's judgment. What I think is needed is a statement of what steps need to be accomplished in order to provide adequate warning, and what alternative ways are there to fulfill such steps? It appears to me that this paper starts with the conclusions and then describes how most of them are justified (not all -- some are just stated). Moreover, although there are a number of complex diagrams about previous organizational arrangements, I found it difficult to gain any flavor of whether we are just revisiting past mistakes or likely to be improving. It would be helpful if, after outlining what steps are necessary to provide good warning, the report could describe how previous organizational arrangements have attempted to fulfill the requirements.

3. What concerns me in large part is that the report appears to support the continuation of every warning activity presently in being and to mandate some additional organizational structures. This bears all the earmarks of a bureaucratic compromise where nobody loses anything and where no organizations are eliminated

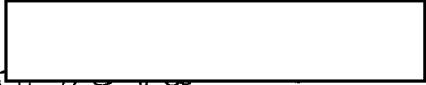
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and new ones are established. I have not been able to come up with my own modifications of this proposed plan, but I am most wary of establishing a new full-time staff and a new committee. If what they are both intended to do in essence is to get the NIOs to do a better job of being sensitive to warning and to looking at unexpected possibilities rather than accepting only the traditional wisdoms, why shouldn't we charge Bob Bowie with accomplishing that? It would benefit his organization in so many other ways if he did.

4. In a year and a half I have not seen anything come out of the Strategic Warning Staff that seems to warrant its existence. Perhaps it is playing a catalytic role that it is difficult to perceive. My one visit to it frankly left me unimpressed that there was any systematic approach to analyzing the warning situation. I question whether we should continue the three-year experiment for another year and one-half just to find out if it will work.

5. The material is probably all here. I would ask you to have Dick restructure it so that we have a better idea of what choices we are making.


STANFELD TURNER

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8/4/78

MEMORANDUM FOR: Director of Central Intelligence

THROUGH : Deputy Director of Central Intelligence

FROM : Associate Director-Substantive Support
National Foreign Assessment Center

SUBJECT : The DCI's Role in Warning and Crisis

REFERENCE : a. Report on the DCI's Role in Warning
and Crisis, dated 22 June 1978

b. Memorandum from DCI to DDCI, same
subject, dated 18 July 1978

1. Your memorandum of 18 July remarks inter alia that, although all the relevant sources and experiences are cited in the report, the report does not lay out "a series of alternatives ^{among} [between] which we can exercise a decision-maker's judgment." You asked for a statement of the essential elements of warning; some alternative ways to achieve an adequate warning program, and an evaluation of previous organizational arrangements for warning.

no steps
needed to
accomplish
adequate
warning

2. Out of concern for your time and our manpower, we will address your questions in this memorandum and treat the report of 22 June as a reference document. If you believe that we have addressed the appropriate points, we can then undertake the revision of the report with the objective of developing a document to be used in an Intelligence Community forum as the basis for negotiating Community participation in the warning program.

no - how
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talked
to us
then for

Steps to Adequate Warning

3. The discussions in the Intelligence Community over the past few years indicate a consensus on a few essential ingredients of a warning program. The wording varies from forum to forum and in response to the latest study or warning crisis but one can perceive these essential ingredients:

- Warning must be an explicit mission of all intelligence organizations,
- There must be a way to converge intelligence information in order to analyze it for I&W content,
- The output must be recognizable as warning,
- The output must flow up, laterally, and down.

4. The complexity of the warning mission has increased rapidly in recent years and the indications of impending crises come to us from a wide variety of geographical and functional specialities within and without the Intelligence Community. This is discussed in paragraphs 5-8 and 36-39 of the 22 June report. We must assign warning as a mission for all intelligence organizations because of the many sources of indications and in the interests of economy. We cannot afford to duplicate the Intelligence Community with an apparatus devoted solely to I&W.

5. There is a requirement to converge intelligence information in order to analyze it for warning. This implies both a technical

capability and a means of focusing organizational activity. Some aspects of these requirements are discussed in paragraphs 26-27 and 34-40 of the report. The technical problems of converging I&W information are manageable. Focusing organizational activity on the converged information requires the full-time efforts of some one person with visible responsibility for I&W matters, and by someone who has clear-cut authority within the Intelligence Community.

6. The intelligence message must be clearly recognizable as a warning. The last thirty years are littered with crises where the indications were perceived, evaluated, and passed on to military operators and national decision makers but the message was not labeled "warning." There were several reasons for the omissions. In some cases the intelligence analyst simply failed to recognize the indications of a crisis. In many more cases, however, the message lacked a warning label because the sender did not have an explicit warning responsibility and a concomitant authority to send a "warning." In other cases, the military operator or national decision maker failed to heed the warning because the sender was not "the official warning office."

7. The output of a national warning system must flow up to the President, laterally to Defense et al, and down to the military operators. This is an obvious responsibility. It is less obvious that the national warning system is dependent upon inputs from the same sources to whom it owes warning.

Historical Deficiencies

8. The history of warning in the Community is summarized in pp 68-72 of the 22 June report. That brief summary will give you a flavor of the organizational arrangements depicted on Chart I (between p 1 and p 2) and chart III (between p 18 and p 19). That summary does not, however, tell you how well or poorly those two arrangements worked.

9. We believe that the deficiencies of the 1951-74 arrangements were:

- attitudinal problems of senior intelligence officials,
- focusing final analytic responsibilities in a committee (the Watch Committee) instead of an individual,
- placing supervisory responsibility over I&W system in the Watch Committee rather than on an individual,

no only in later years
-- the Watch Committee was under the direction of a CIA office head rather than a senior Community figure

no - could give it full attention
-- the 1951-74 system seldom received the attention or presence of the DCI or DDCI (DDCI Cushman was the most notable exception),

see here
-- the attitudinal problem of senior officials undermined the seriousness with which analytical line elements supported the warning referent system.

10. The prevailing attitude throughout 1951-1974 was that one could not realistically expect to provide warning of minor crises throughout the world. The corollary was that even a large strategic

no commitment

*What was
but*

warning effort would only make a marginal increase in tactical warning time. The perception throughout the Intelligence Community was that the Watch Committee, and the entire national I&W apparatus, was set up as a "dummy in the window." Toward the end of this period, there developed a mood that we could do a better job of warning and that we should reorganize our I&W system.

11. The reorganization in 1975 (see Chart III between p 18 and p 19 and text pp 70-72) was based upon two premises. First, the recognition that new and improved collection systems called for new analytical approaches to the I&W problem. Second, the belief that all intelligence elements were focused on the I&W problem and that a special analytical element was required, largely for the second-look function. The 1975 reorganization placed the I&W responsibility squarely upon a senior intelligence official (DIA Vice Director of Production) and made him responsible to the DCI for warning. The Strategic Warning Staff was established to concentrate on in-depth analysis of I&W problems, perform second-look functions, stimulate I&W research, and interact with Community production offices. The defects in this turned out to be:

*use of this
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be defined
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by it?*

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-- the Special Assistant to the DCI for Warning was responsible for many other tasks in his role as Vice Director of DIA and could not give I&W his full attention,

-- the Strategic Warning Staff (SWS) was not fully supported by Community elements, e.g., State and

Navy did not provide people, membership has not been consistently strong;

- The SWS has not been unsuccessful in its mission but it has not made significant strides in in-depth analysis, the second-look function, and interacting with NFIB production offices on warning matters;

- No significant I&W study efforts have been initiated under DCI auspices; the major developmental effort in I&W currently underway (Project WISP) is a DoD/DIA project with CIA participation.

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Alternative Solutions

12. The working group report discussed several requirements for a warning and crisis management system (Report pp iv-ix and pp 32-35).

These requirements were summarized as follows:

- flexible system to meet changing requirements,
- clear responsibility and accountability,
- comprehensive system to encompass analysis and collection,
- economic use of existing structure, people and systems,
- accommodate needs of DoD within context of national warning system,
- the warning and crisis management system must support the DCI.

how did this work with 3.

The report does not describe all the debate that took place within the working group.

13. You may find it useful to review the summary of working group discussion of other points that were subsumed into the conclusions and recommendations of the report.

a. DCI and Sec Def responsibilities: The fact is that both have explicit responsibilities in warning situations. This complicates questions of accountability, where to locate the warning system and agency participation. On the other hand, it facilitates cost-sharing and multi-purpose use of resources when CIA and Defense have overlapping areas of responsibility. This led to a discussion of which agencies should participate in a national-level warning system.

b. Single or multi-agency participation in a national warning system was not debated for long. The Defense Department has an extensive I&W network built into the structure of the Unified and Specified Commands. It is a case of intelligence to support the commander and this support extends upward to the JCS, the Sec Def, and the President. The network capability is limited by the command responsibilities and interests of the military commander, the military dimension, and its emphasis upon the big war possibilities. On the positive side, the network has unique capabilities for input to a national warning system that are too expensive to duplicate. The working group assumed that its recommendation must incorporate the Defense I&W network into the national system.

c. The location of a national warning system was the basis for long discussions. The report itself devotes only pp 57-60 but the debate was much longer than that summary implies. There was an

appreciation within the working group that this was not a question to be resolved solely on the basis of architectural efficiency. Conventional measures of efficiency did dictate locations to make multi-purpose use of expensive communications and to fully utilize the efforts of people already dedicated to the I&W problem. These considerations indicated a requirement to have at least part of the national warning system located in the Pentagon. On the other hand, the Defense interests in I&W (see discussion on pp 6-8 of the report) are not wholly compatible with the responsibilities of the DCI nor are they as broad as required by a national warning system designed to accommodate crises in addition to major war. The working group was nearly unanimous on the judgment that the DCI must have some elements responsive directly to his command, the DCI must have a senior officer directly responsible to him without intervening command relationships, and that key elements of the national warning system must be at the CIA. The dissenter to this view believed that reasonable, dedicated, and disciplined people would respond to the DCI with priority and dispatch. The other members of the working group held to the view that organizational loyalties, bureaucratic momentum, and other aspects of organizational behavior make it an imperative for the DCI to have his own people in his own organization to support his warning responsibility. Thus, the recommendation for some warning elements at CIA and some at the Pentagon.

d. Should the people be dedicated to I&W or should warning be an additional duty? This was a short debate because of the

expense of a dedicated I&W network (pp 3-6, 30-41, 55-57 in the Report). Also, it is not necessary. Warning requires the judgment of analysts who are intimately familiar with particular segments of the warning problem and the activities of collectors who are busy supporting them. The larger composite of intelligence problems utilizes the full-time efforts of intelligence organizations. Warning is only a part, albeit a critical one, of the composite. Concern for low cost and high competence brought the working group to the conclusion that warning should be an additional duty for all and only a very few should be dedicated solely to I&W. These few would provide the devil's advocate or second-look activity, the research into methodology and technology, and serve as the catalyst element amongst the many and disparate contributors to a national warning system.

e. Organizational roles of the NIO's and the NITO's were discussed.

There were suggestions that:

- warning is primarily an analytical task,
- warning is primarily a collection task,
- but agreement in the end that it is primarily an analytical task;
- a single suggestion that the Collection Tasking Staff should administer the national warning and crisis system,
- a single suggestion that the NFAC should administer the national warning and crisis system,
- but final judgment, less one dissenter, was that neither organization alone offered the best solution to the

f. The role of committees and staffs was briefly discussed and ended with a consensus that no additional staffs were needed. There was agreement that the SWS had not lived up to expectations but that a similar staff structure was necessary to fill the catalyst role and to draw in participation by all potential contributors to the national warning system. The group believed that the SWS could be revived with new people and new organizational connections. There were other suggestions that a higher level committee was needed to provide NFIB member level representation on key warning issues. A majority view was that there should be such a senior level committee, to meet on call, to resolve critical issues. The alternative forum is, of course, the NFIB itself.

don't think there was agreement on this

This was not to be a substantive group

14. The discussions led to about a dozen proposals that were diagrammed and discussed. Three of the proposals were refined for final discussion by the working group. The major contrasting points of these proposals are summarized below:

a. Proposal A

- CTS is executive agent for National Indications and Warning System,
- Locates executive agent in Pentagon,
- I&W responsibility under the DCI will be split between D/DCI/NFA and D/DCI/CT with routine management in hands of a CTS executive agent in Pentagon collection facility,
- D/DCI/NFA coordinate and manage community analysis in warning area,

- Establish dedicated I&W collection and dissemination facility at Pentagon separate from other collection and dissemination activities,
- Establish separate CTS evaluation activity for Community I&W activity,
- Emphasis was on collection aspect of I&W and crises management aspect of the problem.

already there in CCF

what happens to SWS under A?

b. Proposal B

- Disestablishes SWS and replaces its analytical functions with NFAC and Community analysts in National Warning Center,
- NFAC is location for National Warning Center,
- CTS personnel co-located with NFAC and Community members of National Warning Center,
- Center has responsibility for big and little W warning in all parts of the world.
- Center would do warning analysis, research, and supervise warning activities but no current intelligence

How can you be responsible for "little W" if not current intelligence?

c. Proposal C

- Establishes senior warning officer as individual responsible for warning, reporting to DDCI & DCI, without intervening organization or duties.
- DCI makes explicit the I&W responsibility of Community analytic elements and NIO's.
- Revitalize SWS with some new people, located in Pentagon,

- SWS report to Senior Warning Officer,
- CTS/NITO provide direct support to DCI and NIO in warning and crisis situation,
- Establish a permanent committee for warning and crisis policy matters with NFIB membership; DDCI, D/INR, D/DIA, D/NSA, and representative of Sec Def.

Basis for Recommendations

15. The three proposals were debated extensively, sometimes heatedly, and the working group members were sent back to their organizations to search for ideas. The final working group reaction to these proposals was along these lines:

-- Proposal A

- ° recognized that warning and crisis management required analysis oriented solutions but put the system management in the hands of a segment of the CTS; this anomaly was unacceptable to the working group, less one, and was not endorsed by the D/DCI/CT.
- ° located the DCI's executive agent for warning in the Pentagon; the majority opinion was that the executive agent personified should be at CIA, near the source of his authority.
- ° lines of authority among the D/DCI/NFA, the D/DCI/CT, and the "executive agent" personified were unacceptably obscured.

- ° was perceived by the working group to dedicate too many resources to the I&W problem at the expense of the larger intelligence composite; this was perceived as unnecessary.

11 not 12

-- Proposal B

- ° replaced 10-man SWS with 25-man National Warning Center; this was perceived as too expensive, too many people dedicated to I&W staff.
- ° made D/DCI/NFA responsible for warning; it is a senior community position but may not be senior enough to cause the changes we believe necessary, no lesser authority than the DDCI is needed to rise above organizational interests.
- ° places National Warning Center activities completely in NFAC makes it difficult to capture information flow and analytical contributions from Pentagon.

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-- Proposal C

- ° attempts to revitalize the SWS with some new people and provide additional agency participation without moving the staff or increasing size; working group favored limitation on size of staff, supported new blood, was optimistic about significant improvement.
- ° working group favored an analytical warning staff located in the Pentagon to give DoD a sense of contribution.

have to increase
slightly to get
Navy
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65

*Still undecided
of what*

- ° proposal establishes a senior warning staff officer with no duty other than warning, reporting to DDCI and DCI, and located at CIA; working group unanimously supported this but suggested this individual be selected from DoD.
- ° proposal establishes permanent policy committee on warning and crises; this was supported by majority of group, argument against it was that these senior people could meet in the NFIB forum, argument in favor of committee was it would meet only on call and it demonstrated seriousness of purpose.

16. The recommendation of the working group (Report, pp 60-67) was built upon Proposal C and was seen as having these positive aspects:

- no increase in number of people dedicated to I&W activities except for the five-man NITO I&W team, which was in the CTS planning documents anyway.
- places the DDCI as the senior Community officer responsible to you for warning and crisis management; thus, a man who can be perceived as above institutional conflicts and one who has real authority in all circumstances.
- provides a full-time assistant (the senior warning officer) to the DDCI who can stimulate analysis and collection with the authority of the DCI, someone to concentrate Community efforts

on technology, methodology, and organizational innovations as appropriate, someone who can be from the DoD but be directly responsible to the DCI.

-- success of proposal rests upon energy and innovation of basically two people, the DDCI and the senior warning officer; this appeared to be a low risk, low investment, high pay-off solution to problem.